

MINUTES

MONTANA SENATE 56th LEGISLATURE - REGULAR SESSION

COMMITTEE ON NATURAL RESOURCES

Call to Order: By **CHAIRMAN WILLIAM CRISMORE**, on February 10, 1999 at 3:30 P.M., in Room 325 Capitol.

ROLL CALL

Members Present:

Sen. William Crismore, Chairman (R)
Sen. Dale Mahlum, Vice Chairman (R)
Sen. Vicki Cocchiarella (D)
Sen. Mack Cole (R)
Sen. Lorents Grosfield (R)
Sen. Tom Keating (R)
Sen. Bea McCarthy (D)
Sen. Ken Miller (R)
Sen. Glenn Roush (D)
Sen. Mike Taylor (R)
Sen. Bill Wilson (D)

Members Excused: None.

Members Absent: None.

Staff Present: Larry Mitchell, Legislative Branch
Jyl Scheel, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: SB 343, 2/21/1999; SB 344,
2/21/1999; SB 345, 2/21/1999
Executive Action: None

HEARING ON SB 343, SB 344, SB 345

Sponsor: SENATOR CHARLES "CHUCK" SWYSGOOD, SD 17, DILLON
SENATOR DEBBIE SHEA, SD 18, BUTTE

Proponents:

Tim Babcock, Former Governor of the State of Montana
 Jill Andrews, Montana Mining Association
 Chris Gallus, Montana Chamber of Commerce
 John Forkan, Montana State Building & Construction Trades Council
 Evan Barrett, Executive Director, Butte Local Development Corp.
 George Holcomb, Cable Mountain Mine, Anaconda
 Ernest Nelson, Professional Engineer
 Tad Dale, President and Co-Owner, Majesty Mining, Inc.
 Jay Reardan, United Steel Workers of America, Local 72
 Melissa Bogert, Butte
 Larry Johnson, Missoula
 Dick DeVoto, President, Canyon Resources Corporation
 Dirk Nelson, Professional Engineer, Montana Tunnels Mine
 Glenna Obie, Chairman of Jefferson County Commission and
 Secretary of Hard Rock Mining Counties Association
 Jerry Hanley, Hard Rock Miner from Lewistown
 Donna Sevalstad, Beaverhead and Madison County Commissioners
 Don Judge, Montana State AFL-CIO
 Mark Pfau, International Mineral Exploration Consultant
 Don Allen, Western Environmental Trade Association
 Randy Pinocci, self-employed
 Rody Holman, Economic Development Director for Butte-Silverbow
 Jerry Driscoll, Montana Building Construction Trades Council and
 President of Montana State AFL-CIO
 Tom Bourns, Consulting Geologist
 Jerry Harrington, Mine Manager, Golden Sunlight Mine
 Teresa Garland, Lincoln
 Jay Verde, Lincoln
 Connie Cole
 Joan Gabelman, Senior Geologist, Golden Sunlight Mine
 Eric Stimson, Independent Mineral Exploration Geologist, Helena
 Stephen Walsh, Vice-President of Human Resources of Montana
 Resources, Butte
 Jeff Levell, Chief Geologist, Montana Tunnels Mine
 Ted Antonioli, Geologist, Missoula
 Paul Fredericks, Mineral Exploration Consultant, Missoula
 Bill Jenkins, Vice President, Majesty Mine
 Dan McGrane, Consulting Geologist, Helena
 Craig Stiles, Consulting Geologist, Helena
 Bill Snoddy, McDonald Gold Project
 Delores Rife, Fergus County
 Clinton Cain, Fourth Generation Montana Miner, Gallatin County
 Frank Crowley, ASARCO
 Dennis R. Dugal, MINEX INC.
 Bill Neal, Hanover Gold

David Russell, President, Bush Drilling, Inc
Steve Lloyd, Professional Engineer

Opponents:

Jim Jensen, Montanans for Common Sense Mining Laws for I-137
Dan Teigen, Northern Plains Resource Council
Stephanie Shammel, Hilger
Dan and Lori Harrell, Hilger
Verner Bertelsen, Montana Senior Citizens Association
Mark Mackin, Helena
James Main, Sr., Ft. Belknap Indian Community Council
Kenneth Main, White Clay Society, Hayes
Jeff Barber, Montana Environmental Information Center
Mark Gerlach, Greenough
John Krutar, Blackfoot Legacy and himself
Mert Freyholtz, Sweet Grass Hills Protective Association and
himself
Nils Troedsson, Dillon
Joe Gutkoski, President, Montana River Action Network
Mike Schestedt, Deputy County Attorney, Missoula, on behalf of
the Missoula County Commissioners and Fred Van Valkenburg,
Missoula County Attorney
Will Boland, Helena
Jim Emerson, Helena
Bryany Schwan, Program Director, Womens' Voices for the Earth
Jerry Kustich, Montana State Trout Unlimited Council and Montana
State Audubon Council
Craig Sweet, Legislative Director for MontBerg
Hope Stevens, Helena
Shawn Bassett, Missoula
Debbie Smith, Montana Common Cause
Steve Gilbert, Helena
Judy Smith, Helena
Stan Frasier, Helena
Sally Brown, Helena
Vicki Freyholtz, Gilford
Richard Wachs, Alberton
Marion Kroll, Great Falls
Ric Valois, Environmental Rangers, Sun River
Bill Davis, Helena
Tish Cockerham, Lincoln
Graden Oehlerich, Missoula
Richard Dill, Florence
Amy Boulanger, Belgrade
James Curtis, Montana Chapter of the Sierra Club, Missoula
Will Patric, Belgrade

Corrina Batten, Missoula
 Laura Scherubel, Missoula
 Cedar Brant
 Eric Rasmussen
 Chris Baldwin, Missoula
 Dore Gilels, Missoula
 Adam Nelson, Missoula
 Sam Robbins, Missoula
 Michael Sharp, Missoula
 Ashley Hinton
 Jeff Goin, Missoula
 Jane Madison, Missoula
 Douglas Rhodes, Whitefish
 Denise Roth Barber, Helena
 Lisa Fairman, Helena
 Shannon Heath, Helena
 Prudence Gildroy, Helena
 Paul Roos, Helena
 Dan Olson, Flathead Valley Chapter Trout Unlimited, Kalispell
 Bonnie Gestring, Helena
 Marlyn Atkins, East Helena
 Lisa Bay, Helena
 Ruth Burleigh, Chinook
 Matt Clifford, Missoula
 Andrea Davis, Missoula
 Mac Donofrio, Missoula
 Scott Edgerton, Missoula
 Janet Ellis, Montana Audubon
 Larry Evans
 Jennifer Ferenstein, Missoula
 Taylor Hartman, Missoula
 Nate Heffter, Missoula
 John Hirsch, Missoula
 Jennifer Holmes, Missoula
 Patrick Leonard, Corvallis
 Kris Love, Missoula
 Shellan Miller, Missoula
 Toddy Perryman, Corvallis
 Jennifer Presnell, Missoula
 Wade Sikorski, Willard
 Megan Schneeberger, Missoula
 John Smart, Helena
 Justin Spratling, Missoula
 Hildie Young, Ennis
 Gordon Bennett, Helena
 Steve Gilbert, Helena

Opening Statement by Sponsor:

SENATOR CHARLES "CHUCK" SWYSGOOD, SD 17, DILLON, brought before the committee **SB 343** and **SB 344**. **SB 344** repeals the initiative passed in the November election for two years. **SB 343** then resubmits to the voters of the State of Montana the same question that was voted on in November, 1998. One is a repealer for two years and the other puts it back on the ballot. In the interest of letting the public testify, he reserved his remaining remarks until closing.

SENATOR DEBBIE SHEA, SD 18, BUTTE, brought before the committee **SB 345**. This bill will allow a citizens initiative to remain in place yet it will permit any of the 56 counties in our state to determine their economic destiny through a county ordinance which is enacted by local government or a citizens initiative. She appreciates the concerns of the opponents of this bill. She does not want to enact legislation that is harmful to the citizens of Montana. She did this for communities that would become economically devastated if they did not have these wage earners spending their income and if they did not receive the taxes it garners from the operation of the mine. Relative to the use of cyanide, laws are in existence to prevent the problems that the opponents fear. These laws need to be enforced vigorously to alleviate these problems but drastic measures as presented by CI-137 should not be forced on communities which depend on the mining industry. Mining has always played a major factor in the economy of Montana. The coffers of the state have for a century been enriched by the wealth of the mining industry. 38 of 56 counties or 76% voted against CI-137. The opponents of the bill and anyone here to protect the environment know that they don't have a corner on the market for environmental concerns.

Proponents' Testimony:

Tim Babcock, Former Governor of the State of Montana representing himself, stated we should not have to be here today talking about this issue and spending time righting a wrong brought about because special interest groups have used the initiative process to subvert the legislative system that has served us so well throughout history of the government in Montana. In 1995 the buzz word was arsenic to scare the Montana public into believing things that were not true and now it is cyanide. Truthful information was not disseminated by the environmental community. Simply by repeating one word over and over, cyanide found its mark on enough voters to approve their ulterior motive of closing down the mining industry in Montana.

Initiatives do not bear the full scrutiny of the legislative process and therefore cannot possibly inform the public as well. It is regretful that a few overzealous extremists have given the environmental movement a bad name instead of working with the industries to make sure safe practices continue to be the focus of the resource industry for the future.

He is asking that the vote on I-137 be taken back to the people of Montana. One can look at our flag and see the heritage of the mining industry in Montana. The pick, shovel and plow represents mining and farming. The ribbon containing the states Oro-Y-Plata, gold and silver, waves proudly from the flag. Mining has played a significant role in Montana's heritage and with the good common sense of Montana's leaders, mining will continue and can be a significant role in the future.

Russ Ritter, Montana Resources, Butte, based his comments on the Economic Profile and Impact of Montana Resources - 1986-1998 as per **EXHIBIT(nas33a01)**. He feels they have been a good citizen in the State of Montana and that all mines are good citizens. He is here today to defend the mining industry against the unreasonable types of activities described earlier.

Jill Andrews, Montana Mining Association spoke in support of **SB 343, SB 344 and SB 345**. Her comments are contained in the information presented in **EXHIBIT(nas33a02)**.

Chris Gallus, Montana Chamber of Commerce, spoke generally in support of all three bills. He appreciated the opportunity to speak on this issue today. During the election they were not able to speak against these issues while the opponents could. Initiative 137 is an example of what occurs from a one-sided debate on a complex, environmental issue. This election was affected by I-125 because businesses were unconstitutionally restricted from speaking on this issue and their advocates were muzzled unconstitutionally as well. He feels the bills should be passed to restore integrity to the entire system.

John Forkan, Montana State Building & Construction Trades Council, stated he is a native Montanan and has raised his family here. He is very concerned about the environment. He does not want mining companies coming into our state and destroying it but we have laws in place to protect our pristine state. If jobs keep being eliminated, our state will only be good for tourists to come and enjoy. We need to keep an economic base and retain the natural resources that we have been so blessed with. Our college in Butte turns out some of the finest engineers in the nation. It does not make sense to have to send them out of state to find job. He is speaking primarily to **SB 345** which would keep

the state law in place but would allow local option to allow voters decide if they want to utilize cyanide leach mining in their areas. He encourages a DO PASS recommendation.

Evan Barrett, Executive Director, Butte Local Development Corporation, stated Butte has been fighting some of the economic issues that Montana is now fighting across the state for the past 30 years. These bills are not really about if cyanide usage is right or wrong. These bills are about the process by which the people of this state determine whether it is an appropriate policy or not. In his opinion, I-137 was flawed scientifically and was built more for demagoguery than for good public policy. People have differing opinions and government processes are the way in which we resolve those differing opinions. That is democracy. These bills all deserve to be passed. **SB 343** and **SB 344** are about fairness in democratic decision making. **SB 345** gives some opportunity for economic decision making by local areas particularly local areas that are hurt. It gives the option of choice for decision making on this issue without changing one single word of Montana's strong environmental laws which are still musted here for any permitted mine.

{Tape : 1; Side : A; Approx. Time Counter : 0 - 44; Comments : None.}

George Holcomb, Cable Mountain Mine, Anaconda, spoke in support of the bills. He presented testimony based on his notes from the Mine Design, Operations & Closure Conference 1995. The notes were from Mr. Glenn Miller, PhD, Professor at the Dept. of Environmental and Resource Science University of Nevada-Reno and a Sierra Club Affiliate. **EXHIBIT(nas33a03)**

Ernest Nelson, Professional Engineer spoke in support of the bills as per his written testimony **EXHIBIT(nas33a04)**.

Tad Dale, President and Co-Owner, Majesty Mining, Inc., stated it has been a dream of his since childhood to own and operate a gold mine. Majesty Mining operates a cyanide heap leach gold mine in Madison County. I-137 is not just something that will hurt them today and tomorrow, but will hurt them for a long time down the road. The use of new technology, or a new use for an old tool, namely cyanide, affords them the opportunity to enter into old mining districts. Cyanide has been used in the mining industry for well over 100 years. Its use for recovery of gold and silver from low grade ores became possible only due to the economics of mining larger volumes and using the system of leaching layers of ore placed on a prepared base. In Majesty Mining's case, they are only in business because of cyanide. There is no other substitute. I-137 took away their future opportunity to recover

their asset, therefore it took away their property without due process of law. I-137 was not really about cyanide, it was about wounding our state's mining industry and it worked. The eroding of this basic industry will take its toll on all Montanans. He spoke in support of all three bills.

Jay Reardan, United Steel Workers of America, Local 72, spoke in support of **SB 345** which they feel is a legitimate extension of the initiative process to local voters most directly impacted by the effects of I-137.

Melissa Bogert, Butte, spoke in support of these bills as per written testimony **EXHIBIT (nas33a05)**.

Larry Johnson, Missoula, is a minerals resource geologist. Montanans deserve an opportunity to revisit I-137 when they have heard all the facts from both sides of the issue. The initiative process only works when the electorate has a balanced and informed understanding of the issues when they go to the poles. This legislature now has the opportunity to show the people that they understand the initiative process is not perfect and they are willing to take a stand that may be unpopular but is the right way to go.

Dick DeVoto, President, Canyon Resources Corporation, owner of the McDonald Gold Project and the Seven-Up Pete Joint Venture spoke in support of the bills as per written testimony **EXHIBIT (nas33a06)**.

Dirk Nelson, Professional Engineer, Montana Tunnels Mine, spoke in support of these bills as per written testimony **EXHIBIT (nas33a07)**.

Glenna Obie, Chairman of Jefferson County Commission and Secretary of Hard Rock Mining Counties Association, spoke in support of the bills. The figures from election night in Jefferson County against I-137 were 29.05% For, 69.32% Against. The cities were large enough to determine the future of mining, the future of Jefferson County's economy and the future of many of their families. Jefferson County is the home of two hard rock mining operations - Golden Sunlight and Montana Tunnels. Jefferson County understands the impacts and value of mining operations. They are not crazy about a local option but it is better than the alternative.

Jerry Hanley, Hard Rock Miner from Lewistown, has been a miner for 27 years with 19 of those years spent using cyanide. Fergus County was the pioneer in the USA for the use of cyanide. In 1893 the Gilt Edge Mine started the first commercial cyanide

plant in America. In the millions of pounds of cyanide that have been used around Lewistown, no one has ever been hurt nor has there been any serious environmental damage. I-137 had nothing to do with cyanide, it was a sham. He stands in support of these three bills.

Donna Sevalstad, Beaverhead and Madison County Commissioners, spoke in support of the bills. **EXHIBIT(nas33a08)** In Beaverhead County they have added \$7 million in new construction year per year to the county rolls and yet their taxable value continues to decline. They need the ability to use every tool available to them as they fight for their economic survival.

Don Judge, Montana State AFL-CIO, spoke in support of the bills. He submitted two resolutions to the committee per **EXHIBIT(nas33a09)**. They also opposed I-137 while it was on the ballot and adopted a unanimous resolution through their convention to that effect.

{Tape : 1; Side : B; Approx. Time Counter : 0 - 41}

Mark Pfau, International Mineral Exploration Consultant, spoke in support of the bills and submitted written testimony **EXHIBIT(nas33a10)**.

Don Allen, Western Environmental Trade Association, spoke in support of the bills. If a particular type industry or activity were to be stopped, would it not be the right sequence to pass first a bill that said no one could defend themselves and then come forward the next year with the other one.

Randy Pinocci, self-employed, stated the mining industry is responsible for a good part of his business in the printing industry. He did consult with the Mining Association about educating people about cyanide when the issue came up because it is not as dangerous as some people perceive. Because of I-125 he was not able to do that and feels that had a great effect on the outcome of the election.

Rody Holman, Economic Development Director for Butte-Silverbow, spoke in support of the bills.

Jerry Driscoll, Montana Building Construction Trades Council and President of Montana State AFL-CIO, spoke in support of all three bills and they support industry that pays a living wage.

Tom Bourns, Consulting Geologist, spoke in support of the three bills and submitted written testimony **EXHIBIT(nas33a11)**.

Jerry Harrington, Mine Manager, Golden Sunlight Mine, spoke in support of the three bills and submitted written testimony **EXHIBIT(nas33a12)**.

Teresa Garland, Lincoln, stated her family has owned a business in Lincoln 44 years. She spoke in support of the bills.

Jay Verde, Lincoln, spoke in support of **SB 345**.

Connie Cole spoke in support the three bills.

Joan Gabelman, Senior Geologist, Golden Sunlight Mine, spoke in support of the bills as per written testimony **EXHIBIT(nas33a13)**.

Eric Stimson, Independent Mineral Exploration Geologist, Helena, urged support of all three bills and submitted written testimony **EXHIBIT(nas33a14)**.

Stephen Walsh, Vice-President of Human Resources of Montana Resources, Butte, spoke in support of **SB 343, SB 344** and in particular **SB 345**. He submitted written testimony **EXHIBIT(nas33a15)**.

Jeff Levell, Chief Geologist, Montana Tunnels Mine, stated we do more to harm the water quality in this state by doing a load of laundry. The environmental concern is a little lopsided in this state. He submitted written testimony **EXHIBIT(nas33a16)**.

Ted Antonioli, Geologist, Missoula, spoke in support of the three bills. He submitted written testimony **EXHIBIT(nas33a17)**.

Paul Fredericks, Mineral Exploration Consultant, Missoula, supported all three bills and submitted written testimony **EXHIBIT(nas33a18)**.

Bruce Cox, Co-owner Montana Clino-Z, lc, is operating a small industrial minerals mine in Beaverhead County and supports all three bills. He submitted written testimony **EXHIBIT(nas33a19)**.

Bill Jenkins, Vice President, Majesty Mine, thanked the sponsors of the bills. He is a fourth generation Montanan and would like to stay here.

Dan McGrane, Consulting Geologist, Helena, spoke in support of the three bills and submitted written testimony **EXHIBIT(nas33a20)**.

Craig Stiles, Consulting Geologist, Helena, spoke in support of the three bills and submitted written testimony **EXHIBIT(nas33a21)**.

Bill Snoddy, McDonald Gold Project, supported all three bills. He thanked the sponsors for having the courage to stand up and support Montana families and Montana jobs. **EXHIBIT(nas33a22)**.

Mike Collins, Independent Montana Miners, asked the committee to support all three bills.

Delores Rife, Fergus County, spoke in support of all three bills.

Clinton Cain, Fourth Generation Montana Miner, Gallatin County, spoke in support of the bills and submitted written testimony **EXHIBIT(nas33a23)**.

Frank Crowley, ASARCO, spoke in support of the three bills.

Dennis R. Dugal, MINEX INC., submitted written testimony in support of the bills per **EXHIBIT(nas33a24)**.

Bill Neal, Hanover Gold, submitted written testimony in support of the bills per **EXHIBIT(nas33a25)**.

David Russell, President, Bush Drilling, Inc. submitted written testimony in support of the bills per **EXHIBIT(nas33a26)**.

Steve Lloyd, Professional Engineer, submitted written testimony in support of the bills per **EXHIBIT(nas33a27)**.

Opponents' Testimony:

Jim Jensen, Montanans for Common Sense Mining Laws for I-137, stated I-137 is sound public policy and it was passed on the basis of a thorough, vigorous and open debate which was not encumbered in the way it has been characterized. I-137's basis is quite clear. This one narrow method of mining has a record as a failed technology and Montanans have spoken they do not wish to have this technology in their future. I-137 does not apply to any of the mines you have heard about here today except Yellowband and Seven Up Pete Joint Venture - The McDonald Gold Project. All others that have existing operating permits are grandfathered. This issue is only about open-pit gold and silver mines which use cyanide heap or vat leaching. Golden Sunlight Mine at Whitehall is not affected by I-137. The election was fair. The remainder of this testimony is based on the information handed out to the committee **EXHIBIT(nas33a28)**.

Dan Teigen, Northern Plains Resource Council, spoke in opposition to the three bills. He submitted written testimony as per

EXHIBIT(nas33a29). He then read the following letters for families at Hilger who were not able to attend today due to bad weather.

Stephanie Shammel, Hilger **EXHIBIT(nas33a30)**

Dan and Lori Harrell, Hilger **EXHIBIT(nas33a31)**

Verner Bertelsen, Montana Senior Citizens Association, spoke in opposition to the three bills as per written testimony **EXHIBIT(nas33a32)**.

Mark Mackin, Helena, spoke in opposition to the three bills as per written testimony **EXHIBIT(nas33a33)**.

James Main, Sr., Ft. Belknap Indian Community Council, spoke in opposition to the three bills as per written testimony **EXHIBIT(nas33a34)**.

Kenneth Main, White Clay Society, Hayes, lives close to the Landusky Mine and spoke in opposition to the bills. They live right below the mine in Blaine County but the mine is in Phillips County. At one time their people took a vote to decide on whether or not to mine on the reservation side. It was a reservation referendum vote and it was decided overwhelmingly not to mine on their side of the mountains. They still have to live next to this. He appreciates **MEIC** and the work they do and considers them warriors watching over the earth.

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Jeff Barber, Montana Environmental Information Center, stated they were in firm opposition to the three bills. He referred to a letter by Dr. Glenn Miller, Consulting Environmental Chemist in Reno, NV, for the remainder of his testimony. **EXHIBIT(nas33a35)**.

Jeff Barber, representing himself, stated he had been called a number of things here today by the proponents of the bills from an overzealous extremist to obstructionist. Most of all he is a concerned citizen who voted I-137. He would like the bills tabled because he wants his vote to count.

Mark Gerlach, Greenough, is a foreman of a 5th generation ranch 40 miles up the Blackfoot in **SEN. McCARTHY'S** district. These bills were passed by a majority in the last election as were the legislators elected by a majority of the electorate in their district. These bills seem to say that the Montana voters are too stupid to know what was voted for. He takes his vote very seriously. The mining industries say they have the technology to control cyanide and be safe but they have leaked every time.

Mr. DeVoto says they will sue the state, the people of the state, if they cannot use cyanide in their process. He cannot use herbicides to control weeds by dumping it in at the headgates. Flood irrigation is the most effective way to kill the weeds. Does that give him the right to sue the people of the state?

John Krutar, Blackfoot Legacy and himself, spoke in opposition to the bills as per written testimony **EXHIBIT(nas33a36)**. He requested **SEN. SWYSGOOD** table **SB 343 and SB 344** and spend his time on other things during this session. He feels the people have spoken. He respects **SEN. SHEA** for returning government to the people. Turning this vote back to the counties is fraught with serious problems. Rivers and airsheds do not coincide very nicely with counties. Let's not pit county against county, the people have spoken.

Mert Freyholtz, Sweet Grass Hills Protective Association and himself, stated as he drove here today on icy roads risking his life and the life of his family, he asked why was he doing that to come to something that was already a done deal. He suggested these bills should be thrown in the garbage. The vote was won fair and square. Less than 1/10 of 1% of the people in Montana make their living working at a heap leach cyanide gold mine. For this small percentage of jobs why are we risking our pristine Montana environment.

Nils Troedsson, Dillon, spoke in opposition to the bills as per his written testimony **EXHIBIT(nas33a37)**.

Joe Gutkoski, President, Montana River Action Network, a statewide river watch dog group, spoke in opposition to the bills as per written testimony **EXHIBIT(nas33a38)**.

Mike Schestedt, Deputy County Attorney, Missoula, on behalf of the Missoula County Commissioners and Fred Van Valkenburg, Missoula County Attorney spoke in opposition to the bills and in particular to **SB 345** as per written testimony **EXHIBIT(nas33a39)** and **EXHIBIT(nas33a40)**.

Will Boland, Helena, spoke in opposition to the bills as per his written testimony **EXHIBIT(nas33a41)**.

Jim Emerson, Helena, spoke in opposition to the bills. He voted for I-137 because gold in the ground is money in the bank. When we have the technology to extract it without destroying the landscape we will indeed have something. The cyanide heap leach process for gold mining destroys 98 million pounds of rock for every pound of gold it extracts. Since 1962 there have been at least 60 spills of the deadly poison, cyanide, totaling over 100 million gallons

released into the Montana environment. Fifteen years after a spill at Golden Sunlight Mine the groundwater remains contaminated. He does not see the need to have the landscape destroyed and water polluted for the few people to have high paying jobs when he makes under \$15,000 per year. Mining companies go bankrupt leaving the taxpayers holding the bag and their employees forgotten and looking for work.

Bryany Schwan, Program Director, Womens' Voices for the Earth, spoke on her own behalf today. The Montana people have spoken, they have exercised their democratic right. The issue being faced today is whether to turn over their vote. The proponents say I-125 prevented them from having a fair argument. Every miner, anyone who works in the mining industry, and suppliers had just as much right to organize and just as equal a voice as anyone else. This was a fair election.

Jerry Kustich, Montana State Trout Unlimited Council and Montana State Audubon Council, spoke in opposition of the bills as per written testimony **EXHIBIT(nas33a42)**.

Craig Sweet, Legislative Director for MontBerg, stated this was the second time he has had to defend the initiative process and should not have to do it.

Hope Stevens, Helena, spoke in opposition to the bills as per written testimony **EXHIBIT(nas33a43)**.

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Shawn Bassett, Missoula, submitted approximately 600 written statements in card form from Montana citizens who are against all three bills or any changes to I-137. **EXHIBIT(nas33a44)**.

Debbie Smith, Montana Common Cause, takes no position on I-137 but they strongly oppose any efforts to repeal or substantially change recently passed voter initiatives. In addition to having a republic where we vote to bring the legislators here, the voters maintain the right of a democracy. They voted on these measures, the measures passed and they should stand.

Steve Gilbert, Helena, submitted written testimony in opposition to the bills. **EXHIBIT(nas33a45)**.

Judy Smith, Helena, stated that as someone who does a lot of neighborhood politics, she talked to her neighbors about I-137, and their discussions encompassed what this meant and what they would be voting for. There was no manipulation and ignorance when the majority of people in Missoula did support this initiative.

Stan Frasier, Helena, strongly opposes these bills. He supplied written testimony. **EXHIBIT(nas33a46)**.

Sally Brown, Helena, stated she did not need a gold chain around her neck. She needs to live in a state where her vote is taken seriously.

Vicki Freyholtz, Gilford, stated 52% of the Montana voters voted for I-137. Listen to the voice of the people. **EXHIBIT(nas33a47)**.

Richard Wachs, Alberton, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a48)**.

Marion Kroll, Great Falls, stated democracy deferred is democracy ignored, please do not ignore democracy.

Ric Valois, Environmental Rangers, Sun River, opposed to all three bills.

Bill Davis, Helena, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a49)**.

Tish Cockerham, Lincoln, stated her opposition to these bills.

Graden Oehlerich, Missoula, stated her opposition to these bills.

Richard Dill, Florence, submitted written testimony in his absence **EXHIBIT(nas33a50)**.

Amy Boulanger, Belgrade, stated her opposition to these bills and submitted written testimony. **EXHIBIT(nas33a51)**.

James Curtis, Montana Chapter of the Sierra Club, Missoula, stated his opposition to these bills and submitted written testimony. **EXHIBIT(nas33a52)**.

Will Patric, Belgrade, stated his opposition to these bills and submitted written testimony. **EXHIBIT(nas33a53)**.

Corrina Batten, Missoula, stated her opposition to these bills and submitted written testimony. **EXHIBIT(nas33a54)**.

Laura Scherubel, Missoula, stated her opposition to these bills and submitted written testimony. **EXHIBIT(nas33a55)**.

Cedar Brant, Missoula, stated her opposition to these bills and submitted written testimony. **EXHIBIT(nas33a56)**.

Eric Rasmussen, Montana resident, human being of which we are all made up of 80% water. Healthy water is healthy humans. The healthy humans voted.

Chris Baldwin, Missoula, stated his name as Initiative Process and he is an endangered species in Montana. He submitted written testimony. **EXHIBIT(nas33a57)**.

Dore Gilels, Missoula, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a58)**.

Adam Nelson, Missoula, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a59)**.

Sam Robbins, Missoula, spoke in opposition to the bills and submitted her written testimony. **EXHIBIT(nas33a60)**.

Michael Sharp, Missoula, is a student at U of M in geology program. Feels he made an educated decision last November and would appreciate his vote being upheld on I-137.

Ashley Hinton, speaking for herself as well as her unborn child. She is living proof of chemical spillage and would like to have the vote withheld so it does not happen to her future children.

Jeff Goin, Missoula, gave greetings to **SEN. MAHLUM AND COCCHIARELLA** from their constituency in Missoula. He spoke in opposition to the three bills.

Jane Madison, Missoula, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a61)**.

Douglas Rhodes, Whitefish, spoke in opposition to the bills and submitted written testimony. **EXHIBIT(nas33a62)**.

Denise Roth Barber, Helena, stated her opposition to all three bills.

Lisa Fairman, Helena, stated her opposition to all three bills.

Shannon Heath, Helena, stated her opposition to all three bills.

Prudence Gildroy, Helena, hardworking Montanan and concerned voter supporting jobs that do not destroy stated her opposition to this legislation. **EXHIBIT(nas33a63)**.

Paul Roos, Helena, requested the committee table all three bills.

Dan Olson, Flathead Valley Chapter Trout Unlimited, Kalispell, stated their opposition to all three bills.

Bonnie Gestring, Helena, stated her opposition to all three bills.

Marlyn Atkins, East Helena, submitted written testimony. **EXHIBIT**(nas33a64) .

Lisa Bay, Helena, submitted written testimony. **EXHIBIT**(nas33a65) .

Ruth Burleigh, Chinook, submitted written testimony. **EXHIBIT**(nas33a66) .

Matt Clifford, Missoula, submitted written testimony. **EXHIBIT**(nas33a67) .

Andrea Davis, Missoula, submitted written testimony. **EXHIBIT**(nas33a68) .

Mac Donofrio, Missoula, submitted written testimony. **EXHIBIT**(nas33a69) .

Scott Edgerton, Missoula, submitted written testimony. **EXHIBIT**(nas33a70) .

Janet Ellis, Montana Audubon, submitted written testimony. **EXHIBIT**(nas33a71) .

Larry Evans, submitted written testimony. **EXHIBIT**(nas33a72) .

Jennifer Ferenstein, Missoula, submitted written testimony. **EXHIBIT**(nas33a73) .

Taylor Hartman, Missoula, submitted written testimony. **EXHIBIT**(nas33a74) .

Nate Heffter, Missoula, submitted written testimony. **EXHIBIT**(nas33a75) .

John Hirsch, Missoula, submitted written testimony. **EXHIBIT**(nas33a76) .

Jennifer Holmes, Missoula, submitted written testimony. **EXHIBIT**(nas33a77) .

Patrick R. Leonard, Corvallis, submitted written testimony. **EXHIBIT**(nas33a78) .

Kris Love, Missoula, submitted written testimony.
EXHIBIT(nas33a79) .

Shellan Miller, Missoula, submitted written testimony.
EXHIBIT(nas33a80) .

Toddy Perryman, Corvallis, submitted written testimony.
EXHIBIT(nas33a81) .

Jennifer Presnell, Missoula, submitted written testimony.
EXHIBIT(nas33a82) .

Wade Sikorski, Willard, submitted written testimony.
EXHIBIT(nas33a83) .

Megan Schneeberger, Missoula, submitted written testimony.
EXHIBIT(nas33a84) .

John Smart, Helena, submitted written testimony.
EXHIBIT(nas33a85) .

Justin Spratling, Missoula, submitted written testimony.
EXHIBIT(nas33a86) .

Bob Stevens, Helena, submitted written testimony.
EXHIBIT(nas33a87) .

Hildie Young, Ennis, submitted written testimony.
EXHIBIT(nas33a88) .

Gordon Bennett, Helena, submitted written testimony.
EXHIBIT(nas33a89) .

Steve Gilbert, Helena, submitted written testimony.
EXHIBIT(nas33a90) .

Informational Testimony:

Courtney Young, Assistant Professor of Metallurgy, Montana Tech, submitted facts about cyanide and the process by which gold is made. **EXHIBIT**(nas33a91) .

Robin McCulloch, Montana Bureau of Mines, Mining Engineer, submitted informational testimony as per **EXHIBIT**(nas33a92) .

{Tape : 3; Side : A; Approx. Time Counter : 0 - 16; Comments :
None.}

Questions from Committee Members and Responses:

SENATOR McCARTHY stated she had the paper entitled "Ten Reasons to Support I-137". She asked that documentation be supplied for the committee in reference to #5. **Jim Jensen** stated the documentation is in the packet provided from **DEQ** files. He would meet with her after the hearing to find out exactly what she wanted.

SENATOR ROUSH questioned if the Montana mining people would be willing to bring back an initiative in the next General Election to let the people of Montana revote this issue? **Mr. DeVoto** stated he could not speak for the entire mining community. **SEN. ROUSH** asked if his mine would be interested in bringing back another initiative? **Mr. DeVoto** responded with I-137 in place it makes it very difficult on mining projects in this state. **SEN. ROUSH** questioned in his written testimony where it said there was a possibility that Canyon Resources would evaluate the merits of filing a takings lawsuit against the State of Montana for the loss of potential revenue as an effect of I-137. **Mr. DeVoto** said they had no contemplation of such action prior to the vote. Once I-137 had passed they sought legal counsel to ask what recourse there was for the \$70 million they had invested over ten years based on prior law in the state which allowed such operations. Legal counsel gave them very strong indications that a lawsuit of that type would have merit given the facts. They would prefer to have the mine but if there was no other recourse, that would be the path they would be forced to follow to protect their shareholders.

SENATOR TAYLOR asked if he was familiar with the Cripple Creek Mine? Is that mine one that was walked away from leaving the taxpayers of Colorado with a cleanup? **Mr. DeVoto** said he thought there may be some mistaken identification. There is a new cyanide heap leach open pit mining operation at Cripple Creek called the Crescent Mine. That mine has recently been permitted and operating for three years very successfully. Summitville is probably the one in question. He believes Galactic Resources is the company involved with that mine. **SEN. TAYLOR** questioned what happened there? **Mr. DeVoto** stated this was previously a historic copper, gold, mineralized system that underground miners worked for 100 years and left a honeycomb of underground openings in the hill before the turn of the century. The open pit gold mine of 1990 mined some of the top of that mountain. The company that operated that mine could not sustain it. The impact on the environment was principally acid mine drainage with rainwater and snow melt flowing into the old underground honeycomb of openings. This flowed into the creeks which were named Poison Creek, Allum Creek, and Iron Creek. The natives in the area had named the creeks for bitterness and acidity prior to the mining activities. That mining operation has been subsequently reclaimed and since then the Crescent Mine

has now been opened successfully with modern mining practices and is operating safely. **SEN. TAYLOR** said he believed it cost the taxpayers \$138 million for the cleanup. He then questioned if Canyon Resources had their corporate headquarters or bank accounts in Montana? **Dick DeVoto** stated Canyon Resources is headquartered in Golden, Colorado.

SENATOR WILSON questioned if the \$600 million lawsuit **Mr. DeVoto** had referred to in his testimony was a possibility or was it just a scare tactic? **Harley Harris, Assistant Attorney General**, stated **SENATOR COCCHIARELLA** had requested that someone from their office be in attendance to field questions today. He could not actually answer the question as it would be just an opinion without documentation for a legal basis for his claim and would not be prudent for him to do so. He would try to outline some of the issues that any lawsuit of this type would entail. Any plaintiff in a takings suit must overcome: 1) is there a property right per se? Canyon Resources holds a lease from the state for McDonald Gold Project. The lease states all mining activities would be pursuant to all applicable state and federal law. Would I-137 be an applicable law? Is there a property right to mine with cyanide heap leach process? 2) Would there be economic harm? 3) If you assume there is a property right and the law denies the plaintiff of all economic viable use of the property, goes then to a third law which falls within background principals of state property and nuisance law. Even if it denies the plaintiff all economic viable use of their property, it still can be upheld as noncompensible.

SENATOR WILSON questioned if it would be his intention to go on record today about being serious about bringing this kind of action against the state? **Dick DeVoto** stated if there was no other recourse, they would file such suit.

SENATOR KEATING felt he should respond to the statements, made by the opposition, that the people had voted and we should not overturn the will of the people. There are two forms of government, pure democracy in which all of the people vote on all of the issues all of the time, and representative republic. In the federalist papers we are warned not to have a democracy because the people do not properly inform themselves and they can often be stampeded into bad decisions by vocal minorities. Therefore, Benjamin Franklin said to the group, "we have given you a republic if you can hold it." This meant we have two systems now in our Constitution: 1) we are a representative republic in that we, the legislators, are elected by the people to represent them in the legislature in community. 2) They also have the right to the initiative in which they can vote.

We are here because the people have elected us. He openly campaigned against the water quality initiative two years ago. People told him he had to vote for this because there were toxins in the water. He replied there are toxins in our breakfast cereal. He campaigned openly and was re-elected. He took a count of the vote in his district and I-137 got 5,000 votes. He received over 6,000 votes. He feels the people elected him to vote in their best interest through an informed decision and that is what he intends to do.

SENATOR McCARTHY asked if the County Commissioner vote is ultimate or do the people in the community still have something to say?

SENATOR SHEA stated **Mr. Krutar** had been incorrect in his assumption that the two County Commissioners would have the final determination. It always goes ultimately to the people by way of the initiative process. She wanted it clear in writing her bill that the people had the ultimate vote. **Larry Mitchell** said one of the reiterations of **SB 345** required this vote to go to the people only. The latest iteration says, "the people of a county by initiative process or the Board of County Commissioners by resolution may adopt an ordinance." At this point in time, it can be adopted by a Board of County Commissioners, however, in the ordinance process every ordinance adoption is subject to an initiative process for repeal.

SENATOR GROSFIELD asked if the cyanide solution was typically 50 - 250 parts per million? **Courtney Young** stated that was close enough. **SEN. GROSFIELD** said if it was 235 million gallons of weak solution we would be talking between 12,000 to 47,000 gallons of actual cyanide, does that sound right? **Courtney Young** stated the 250 would be like an average maximum and the 50 would be like an average minimum. **SEN. GROSFIELD** asked if the Bureau of Mines had any verification on this number (235 million gallons) that is being suggested? Is that a reasonable number of leakage? **Robin McCulloch** stated the documentation would have to come through Environmental Management Bureau of **DEQ**. His office does not keep track of the amount of spill but **DEQ** does.

SENATOR GROSFIELD questioned if his operation used cyanide and what is it like to handle cyanide? **Tad Dale** said they have respect for cyanide. It is stored on a lined area. They use proper hood and gloves when mixing it. The key to using cyanide is to always have the PH of your water around 11 with 7 being neutral. When cyanide is added there is no chemical reaction because it is not fumed off. If the PH is kept up, there is nothing to worry about. Daily they have their hands in it and it does not burn their skin. They use about 200 parts per million in their mix. It is very easily killed with bleach or hydrogen peroxide. There have been no accidental deaths from cyanide. It is very safe.

SENATOR GROSFIELD questioned if I-137 would affect Golden Sunlight or not? **Mr. Harrington** stated I-137 will affect Golden Sunlight and referred to page 2 of his written testimony. Specifically, Golden Sunlight currently has a 6½ year mine plan. There is about a million ounces in reserves in that mine plan. They also have proven resources that exceed that number of ounces in reserves that are noneconomic that, as recently as three years ago, were in their reserve and mine plan. If the gold price recovers to where they could put those reserves back into resource they would have double the ounces under reserves that could not be permitted under I-137. That is an extreme impact on Golden Sunlight. The same person that said Golden Sunlight is not affected, sued to have Golden Sunlight's permit rescinded in September, just a few months after receiving it. Specific language in the suit brought by **Jim Jensen** and others, to have the permit rescinded, calls for a revocation of the permit, which under I-137 would be clearly impossible. If the law remains standing and they are successful in the lawsuit to get their permit modified and rescinded, they would be shut down immediately.

{Tape : 3; Side : A; Approx. Time Counter : 16 - 41; Comments : None.}

SENATOR GROSFIELD asked if **Mr. Jensen** would like to respond to that comment. **Mr. Jensen** stated he would like the committee to read I-137. I-137 says "a mine which was 'operating' on election day may continue operating under its existing permit but the permit may not be amended to allow its operation to be expanded." If the mine was operating on that day, and Golden Sunlight was operating, they are grandfathered under I-137, whether or not the court revokes their permit of initio or not. They get to go back and get their permit again. I-137 does not apply to them if they were operating under that permit. **SEN. GROSFIELD** stated that was correct, it says if they were operating on election day they can continue operating. The next words say "under its existing permit but the permit may not be amended to allow its operations to be expanded." Only so long as they keep the existing permit that was in effect on November 3, 1998, can they keep operating, is that not what that says? **Mr. Jensen** stated the reading of this act is if they are operating and the intent of the act, which he has stated several times publically as author of the act, is that they are grandfathered and that if they are operating then I-137 does not apply to them. **SEN. GROSFIELD** asked if he would support amendments to exclude Golden Sunlight from I-137? **Mr. Jensen** stated, absolutely. They had intended to exclude Golden Sunlight from I-137, under the terms of the existing permit and the current operating conditions. He addressed the lawsuit by stating **Mr. Harrington** was right that the permit, as granted, is deficient and the Court needs to fix the permit. The permit, as granted, does

not require reclamation of this mine. The pit goes absolutely unreclaimed, and allows for perpetual treatment of poisoned discharged water. That is the basis of their suit. If the Court fixes their permit, they should be able to operate. This is a mine that has been operating, the disturbance is done. They are trying to be forward looking with I-137 to phase this method out, over time, and not have new ones created in the future.

SENATOR MAHLUM questioned if this would put Yellowband out of business? **Mr. Jensen** stated **Mr. Nelson** said only cyanide heap leaching under the current price of gold will make his project viable. He has no reason to believe or disbelieve him. It is a small mine of less than 5 acres on French Creek out of Dillon. This is one of the two projects that would be affected.

SENATOR COLE referred to the information letters submitted on behalf of Northern Plains Resource Council and two other families that could not attend. He questioned what effect cyanide has actually had regarding the mining industry? **Mr. Teigen** stated in regard to the **Schammel** letter, he could not answer officially on their behalf. **SEN. COLE** stated **Mr. Teigen** was here on behalf of Northern Plains Resource Council and wondered if he was aware their lobbyist brought forth, in another hearing, that Northern Plains was happy about and taking responsibility for the poor economic condition the mining industry is now in? **Dan Teigen** stated their policy is to address the irresponsible aspects of the mining industry they feel are throughout Montana, not a blanket approach to any one industry, whether it be agriculture, mining or small business. **SEN. COLE** stated he was sure the mining industry would not go on record as being proud of the fact there are problems in the agricultural industry. He hoped they would take another look at their goals.

SENATOR GROSFIELD stated **Mr. Mackin** did not testify for or against I-137 but was more directed to the people have spoken and the vote should not be overturned for two years. He interpreted that to mean it would be OK to bring this up again in two years?

Mr. Mackin stated that was more or less correct although he did not throw the two years in as any kind of arbitrary figure. No statute should exist forever. In the law they all have to be up for a change at some point in time and should be amended as needs require. **SEN. GROSFIELD** stated he mentioned the legislature but not the Courts. Would it be his position the Courts should stay away for two years also? **Mr. Mackin** responded no.

SENATOR COCCHIARELLA said there had been a lot said today in a rather accusatory tone about representative government. Because she represents an area in Missoula that voted 2-1 for I-137, would it be responsible for her as a legislator to vote no on these

bills? **Mr. Nelson** stated, on legal advice, he could not participate in the debates to speak as he would have liked to have spoken. He could not contribute money because he was a sole stockholder in the company that he had set up to operate his small mine. He could not speak effectively nor sufficiently to the issue in the 11 days he had after I-125 was overturned. It should be recognized that this was not a fair election. He asks that the committee corrects this so the playing field is level and the voters can truly say what they want to say and be an informed electorate. **SEN. COCCHIARELLA** stated she was uncomfortable about the comments made about them today. She did not think the man who said about being stupid and then electing them realized how that sounded to the committee. She represents a district in Missoula that voted 2-1 for I-137 but **SEN. SHEA** represents a district in Butte that voted 3-1 against I-137. Is it appropriate for **SEN. COCCHIARELLA** to vote against this and **SEN. SHEA** to do what she is doing according to what you think is the will of the people? Is that the way this initiative process should work? **Mr. Nelson** said he felt there was a choice in front of them. They could pick **SEN. SHEA'S** choice which he feels really is the will of the people. The people of Beaverhead County, where his proposed mine is located, voted 68-70% in favor of using cyanide. **SEN. SHEA'S** district said yes they wanted cyanide too. Those people's voices should be heard. He did not feel that someone, like himself, following existing regulations should not be able to make a living. If Missoula does not want it then perhaps the solution is for Missoula not to have it. Why should Missoula County impact Beaverhead County or Deer Lodge County?

SENATOR COCCHIARELLA stated it was frustrating to try to be a representative of the people and watch the people's branch of government be eroded by whatever process that may be. She is voting for her people and other legislators here are also representing their constituents. She wanted that message loud and clear, whether it be her or **SEN. SHEA** or anyone else. That is their job.

SENATOR MAHLUM stated he had heard in the testimony that the initiative process should not be tampered with and the mining industry should improve themselves in one way or another? **Mr. Bertelsen** stated that was correct. **SEN. MAHLUM** asked if mining was closed down, how could they improve themselves? **Mr. Bertelsen** stated he did not think this bill necessarily closed down mining but it does restrict a certain type of mining.

SENATOR CRISMORE restated the disappointing event where the Northern Plains Resource Council lobbyist stated he would like to take the credit for putting the mining people in the position they are in today economically and the State but he could not take the

credit for it because he felt it was due to the price of gold. He stated that was a very disappointing comment for the legislators to hear when they are trying to do something to move the state on.

SENATOR WILSON stated he appreciated the remarks but stated an apology was made at the hearing and the individual stated he had spoken inappropriately. He felt the situation was rectified at that point and it was neither appropriate nor fair to continue on in this manner.

Closing by Sponsor:

SENATOR SHEA closed by saying she thinks the State of Montana can ill afford to paralyze an industry that is as vital to our economic well being as blood is to life. The State of Montana cannot strangle the communities that depend on the mining industry for their economic development. The state cannot lose a revenue source and an important employable partner, as we have seen over the years from the mining industry. We and the mining industry must be cognizant and ever alert to problems that arise from industrial development. However, the State of Montana cannot become a pristine playground only for those who can afford our beauties at the expense of our working people. These workers also need income to enjoy our beautiful state.

Some asked, "Don't I get it?" She does get it. She is here today representing the constituents from her district who voted 76% against I-137 and the 38 counties who voted against this initiative. Montana needs an employable future as well as the State of Montana needs revenue sources to keep Montana the great state that it is. She is in hopes that her grandchildren will be in Montana at the turn of the next century because of decisions made here today at the end of this century.

SENATOR CHARLES "CHUCK" SWYSGOOD thanked the committee for a good hearing. Legislators have the right to represent the people of their districts and that is what they are doing. He has to beg to differ when someone tells him that he should not dare interfere with the vote of the people. His people did not vote for this.

He has been on the side of issues that were not receptive to the environmental community. It is not because he is a non-environmentalist. It is because he thinks we go much too far sometimes in trying to protect ourselves from ourselves. In doing that we come out with nothing.

He is not in the back pockets of the mines as was stated in the first letter he received. That is offensive. He is his own person and represents the people of his district. The people of his

district are hard working. Most are farmers and ranchers who are having their troubles. Some are miners, the best paying jobs they have in the community. How do you tell the people at Golden Sunlight that they do not want that job.

He believes I-137 affects Golden Sunlight because every operating mine in this state has to get a permit renewed in order to continue to operate. When they do that, they fall under this. What about the schools that are dependent on these taxes? What about those people who depend on this for their livelihood? What are we going to do with them? Because we brought an initiative to the people on the pretense that cyanide was an unproven theory. They have used this for 100 years with many deaths? None.

There are a lot of other things going on this state that wish they had that same record. If this is successful and stands, he would expect to see another initiative, from the people that brought this one, to outlaw every railroad train that runs through the State of Montana along the riverbed that carries a hazardous material. How ridiculous is that? Or how about taking every truck off the highway that has hazardous material which has more potential for causing of harm to the people than the mining of this product.

He has been around here a long time and maybe the person was right who said he was a poster child for terms limits. If he is, he is proud of it!

{Tape : 3; Side : B; Approx. Time Counter : 0 - 32.2; Comments : None.}

ADJOURNMENT

Adjournment: 7:20 P.M.

SEN. WILLIAM CRISMORE, Chairman

JYL SCHEEL, Secretary

WC/JS

EXHIBIT (nas33aad)